

Nurses' Campaign to Win Medicare for All Frequently Asked Questions:

Health care costs are spiraling out of control. How can a single payer health care system like Medicare for All control costs?

Our current healthcare system is wildly inefficient and costs continue to climb with no end in sight. Total health care subsidies under our current system cost <u>nearly 700 billion</u> annually, a number expected to double over the next decade. Medicare for All will curb this waste and make it easier to ensure that we can guarantee comprehensive, high-quality care for all at a lower cost than what we currently pay.

- A single payer system dramatically reduces administrative bloat by reducing billing complexity. The increasing complexity of our fragmented health care system is a primary driver of increasing costs. In fact, we currently spend an unnecessary <u>503 billion</u> annually in bureaucratic costs. Medicare for All will simplify our system by eliminating fragmentation and ensuring more seamless, efficient, and streamlined administration.
- Competitive advertising can make up as high as 15 percent of an insurer's operating costs, costs that will not exist under Medicare for All. A major source of waste in our current healthcare system is the 30 billion dollars annually spent by insurers on advertising. Private insurance will have nothing to advertise under Medicare for All, saving billions a year in costs that do nothing to improve health.
- A single payer for health care can negotiate much lower prices for services and drugs, resulting in substantial savings overall. A fragmented healthcare system makes it much harder to negotiate favorable rates on drugs and services for patients, and Medicare is outright prohibited from negotiating for lower drug prices. Medicare for All ends this ban and creates one payer large enough to <u>force down drug prices</u> since it would be the only insurer with which drug companies negotiate.

